Ministry before the increase of prices of price decontrol medicines during 1991-92 and how many break ups were examined and prices found justified?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a), (b) and (d) Being price decontrolled, no limit on price increase or MAPE charged has been announced. Monitoring is done on price increases on the basis of available data and internal guidelines to keep prices within reasonable limits.

(c) It is not correct to say that the system is personalised and arbitrary. Instances warranting intervention come to the notice of the Government not only from the information submitted by the companies in various forms prescribed in DPCO, 1987, but also from the data available from other sources. Companies, thereafter, are asked to submit the required information if it has not submitted the same in normal course.

(e) Decontrolled medicines and their pack sizes being very large in number, the time and labour involved in the collection and compilation of this voluminous information will not be commensurate with the results likely to be achieved.

Time for submitting data by drug company

381. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 413 given in Rajya Sabha on the 27th February, 1992 and state:

(a) whether in the Bombay High Court order dated the 8th March, 1991, time for the company to submit all the data was envisaged;

(b) whether it is a fact that hearing was also to be given within a specified time thereafter;

(c) if so, what was the directive in this regard;

(d) if the company has not given the details why the matter has not been reported to the High Court and liberty taken to recover the amount without any further hearing;

(e) whether the liability of Rs. 77.81 crores includes this liability; and

(f) what steps Government have taken to fix up the responsibility of bureaucrats for delay in recovery of the amount involved even in accordance with the court order?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) to (f) As submitted in reply to Unstarred Question No. 413 answered on 27th February, 1992, the hearing was proposed to be given to the company in the last week of March, 1992. The company has, however, submitted a detailed representation which is under examination. The tentative liability of Rs. 77.81 crores communicated earlier to the company does not take into account the impact of the data yet to be received from the company. All efforts are being made to expedite the entire process of consideration, hearing and passing of speaking orders in this case.

Cases of recovery into the Drug Price Equalisation Account

382. SHRI SANTOSH KUMAR SAHU: Will the PRIME MINISTER be pleased to refer to the answer to unstarred question 1157 given in Rajya Sabha on 5th March, 1992 and state:

(a) what are the details of cases of recovery into the DPEA where companies have been informed that if they do not pay the amounts due, their cases would be referred for recovery as arrears of land revenue through the Collector concerned;

(b) when was each such communication sent what is the response from each company;

(c) whether it is a fact that officials of his Ministry are giving hearings to the companies and are advising them not to pay the amount due; and

(d) what steps Government propose to take to investigate the whole able matter and by when?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) The notices have been issued to several companies warning them that if they do not discharge their liabilities, the amounts would be recovered as arrears of land revenue through Collectors. Out of these companies, M/s. Pfizer and M/s. Abbett have gone to Court against the recovery notices.

(c) No, Sir.

(d) All efforts are being made to recover the due amount from the companies, as quickly as possible.

Justification for reducing the prices of Medicines

383. SHRI SANTOSH KUMAR SAHU: Will the PRIME MINISTER be pleased to refer to the answer to Starred Question 398 given in Rajya Sabha on the 26th March, 1992 and state:

(a) how Government arrive at the conclusion that adequate justification for reducing the prices of decontrolled formulations does not exist when there are no basis of intervention;

(b) how producers are persuaded to reduce prices in the overall interest of consumers when they are not able to get details in Form-6 and all other details required under DPCO, 1987;

(c) what are the details of Forms required to be submitted by Drug Units under DPCO, 1987 and how many companies have submitted such details each year during the last three years;

(d) whether it it a fact that wherever it suits the officials the prices of the formulations are not reduced and reductions are not made in these cases where the turn over is large; and

(e) what steps are being taken to lay down certain guidelines in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a), (b) and (e) In case of abnormal price increases which come to the notice, the companies are asked to give justification. The required details, if not already available, are called for and the producers are persuaded to bring the price to a reasonable level. Being price decontrolled, no limit on prices increase or MAPE charged has been announced. Monitoring is done on price increase on the basis of available data and internal guidelines to keep prices within reasonable limits.

(c) Companies are required to furnish information in the various forms given in the Fourth Schedule to the DPCO, 1987. Information being voluminous one, the time and labour involed in its collection and compilation will not be commensurate with the result likely to be achieved.

(d) No, Sir.

Prices of essential commodities

384. SHRI R. T. GOPALAN: Will the PRIME MINISTER be pleased to state:

(a) the prices of essential commodities including edible oils, sugar, vegetable, pulses, onion etc. in retail markets as on February 20, 1992;

(b) the measures proposed to counteract inflationary pressure on these commodities; and

(c) the results achieved as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED): (a) A Statement showing the retail prices of essential commodities at selected centres as on 20-2-1992 is given in Annexure. *See* Appnedix CLXIII, annexure No. 3)

(b) and (c) The Cabinet Committee on Prices under the Chairmanship of the Union Finance Minister reviews the supply and prices of essentjal commodities at regular intervals and takes appropriate action to correct the imbalances in the demand and supply. Towards this end, palmolein oil has been imported to supplement the overall supply of edible oils in the country. Efforts are also being made to augment